Secret. E.—27.—100/500—12-9-48.

DEVELOPMENT (1948-49) Department.

No. SERIES

G.O. No. 161

Dated 13TH JANUARY 1949.

[Despatch Abstract.]

AGRICULTURE - Grow More Food - Groundnut oil cake Procurement decontrolled - Orders fixing ceiling Prices - Revoked from 15-1-1949.

GOVERNMENT OF MADRAS.
Abstract.

AGRICULTURE - Grow More Food - Ground nut oil cake - Procurement - Decontrolled - Orders fixing ceiling prices - Revoked from 15-1-1949.

DEVELOPMENT DEPARTMENT.
***

G.O.Ms.No.181 Dated the 13th January 1949.

Read again: G.O.No.4237 Development, dated 1-9-1947.
G.O.No.138, Development, dated 10-1-1948.

ORDER:

The following Notification will be published in the Fort St. George Gazette:

NOTIFICATION.

In exercise of the powers conferred by section 3(1) and (2) of the Madras Essential Articles Control and Requisitioning (Temporary Powers) Act, 1946 (Madras Act XIV of 1946), His Excellency the Governor of Madras hereby revokes with effect on and from the 15th January 1949, the Order published with Development Department Notification No.7 dated the 10th January 1948 in the Fort St. George Gazette Extraordinary, dated the 16th January 1948 fixing the ceiling price of groundnut oil cake.

The revocation of the Order aforesaid shall not affect any proceedings which have been already taken or which may hereafter be taken in respect of anything done or omitted to be done under that Order.

BY ORDER OF HIS EXCELLENCY THE GOVERNOR.

Sd/- x x
Secretary to Government.

To the Superintendent, Government Press, (to be published in the Fort St. George Gazette).
To the Director of Agriculture.
To the Board of Revenue (Civil Supplies).
To the Registrar of Cooperative Societies.
To all Collectors.
To Food Department.
To the Public Prosecutor, Madras.
To the Commissioner, of Police.
To the Superintendent X Branch, Inspector General of Police.
To the Government of India, Ministry of Agriculture.
-do- Ministry of Commerce.
-do- Ministry of Industries & Supplies.
-do- Ministry of Food.
To all Provincial Governments.

(True copy)

KRVD.19.10. P.T.O

OFFICE ASSISTANT,
MADRAS RECORD OFFICE.
20/x.

GOVERNMENT OF MADRAS.
***

PRESS NOTE NO.6, DATED THE 14TH JANUARY 1949.
@@@

AGRICULTURE - Grow More Food Groundnut Oil Cake - Procurement and prices - Decontrolled.

Prior to January 1948 the entire production of groundnut oil cake was procured from the mills by the Government and supplied to the ryots at controlled rates. But on representations received from the millers that they were unable to produce groundnut oil cake and sell it with out loss within the ceiling prices fixed by the Government, and that some relief should be given to them by de-controlling a portion of the groundnut cake produced by millers, the Government ordered with effect from 17-1-1948 that 40% of the production of mills should be left to the mills for sale direct to agriculturists or through trade channels without price control, and that 60% should be compulsorily procured by the Agricultural Department within the ceiling prices, subject to certain conditions announced in the Press Note No.30, dated 30-1-1948. The Millers then gave an assurance that as a result of this partial decontrol they would be able to increase production and deliver to the Agricultural Department the same quantity per year as during the period of total procurement. But this assurance has not materialised After the introduction of partial decontrol, there was on the other hand a heavy fall in the production of groundnut oil cake. There were also complaints of malpractices on the part of millers of not maintaining proper and true accounts of their production and of selling more than their share of production in the market clandestinely without reserving 60% for procurement by the Department. The question, therefore, of reimposing total procurement and revising the ceiling prices of groundnut oil cake was taken up for consideration by the Government.

But in June 1948 the oil millers again represented to Government that they were finding it difficult to work their mills due to the low ceiling prices fixed by the Government and urged on the Government to decontrol entirely the production and prices of groundnut oil cake. At their request a Conference was convened on two occassions in which the representatives of Industry participated. At the second meeting of this Conference held on 10-12-1948, the representatives of the industry strongly urged that total procurement would prevent the free flow of the commodity and that decontrol without price fixation would alone lead to increased production. They suggested that the Government should at least as an experimental measure decontrol both the procurements and prices of groundnut cake for a period of six months and agreed that full control might be reimposed if at any time the selling prices of groundnut cake went above Rs.200/- (Rupees Two hundreds only) per ton.

The Government have carefully considered the representations of the oil industry and also the imperative need at present for making groundnut oil cake easily available to the ryots for manuring food crops and have decided to decontrol the entire production by mills and to cancel the ceiling prices of groundnut oil cake with effect from 15-1-1949 subject to the following conditions:-

(1) This decontrol will apply to the production of the mills only from and after the 15th January 1949. The stocks with the mills at the close of the day on 14-1-1949 have been frozen to enable the Department to secure 60% of the production under the partial decontrol in force until that date.

(2) The Millers and merchants should sell the entire production within the Province itself at reasonable prices direct to ryots or through licensed merchants or cooperative societies and should not export any portion thereof out of the province.

(3) The licences of millers are liable to be cancelled without assigning any reasons or previous notice for breach of any of the above conditions.

(4) The decontrol now ordered is liable to be revoked at any time, if it is found that the selling rates of groundnut oil cake exceed Rs.200/- per ton or that its free movement and equitable distribution are impeded due to profiteering on the part of millers and merchants or other causes.

(5) The Government will again review the position after six months.

The Government earnestly trust that oil millers and all other concerned will make this complete decontrol a success.

Gopalaswamy
Office Asst.
Madras Record Office
5/20/49.